BRIAN SMITH | CERTIFIED PUBLIC ACCOUNTANT

January 1, 2022

Dear Client:

This season's office deadlines will be as follows:

S-Corporation (Form 1120s) & Partnership (Form 1065) Tax Returns

- Monday February 14, 2022 (to meet the March 15th filing deadline).

If you meet our business deadline and there are no outstanding items or questions, we will meet the IRS business filing deadline of March 15th. Otherwise, we ***WILL AUTOMATICALLY*** file an Extension for you. Since we charge **$70** to file the extension, we would appreciate you telling us if you already/are going to file your own extension, preferably before Wednesday March 9th. There is no need to contact our office to ask us to file an extension on your behalf

Individual (Form 1040) Income Tax Returns

There will be **NO OFFICE DEADLINE** for your individual income tax return. We will work on tax returns on a first in first out basis. Exceptions will apply if you need your return for FAFSA, or need it to meet a mortgage requirement.

We prefer to have at least 90% of your information when we start on your return. This includes completing the yes/no questionnaire that is a part of your Tax Organizer. We will also need your invoice paid, and a signed engagement letter on file before we electronically file your tax return.

If you normally send us (or bring in) your personal tax information in early March in hopes of meeting the April 15th filing deadline, we cannot guarantee your return will be done. If we cannot complete your return by the April 15th deadline (or if we do not have any of your tax information and you did not let us know you were no longer a client), **we will automatically file an extension for you**. There is no need to contact our office to ask us to file an extension on your behalf. Since we charge **$70** to file the extension, we would appreciate you telling us if you already/are going to file your own extension, preferably before Friday April 8th.

Keep in mind that extensions extend the time to file, **NOT THE TIME TO PAY**. If you believe you will owe money with your 2021 return, you should write a check for us to mail with your extension no later than Friday April 8th.

If your 2021 income was similar to that of 2020 and you haven't paid your 1st -4th quarter 2021 estimated tax payments that we provided, we suggest that you use that total as a starting point for your extension payment.

Sincerely,

Brian Smith

Brian Smith, CPA

711 East Valley Road, Suite 201-C Basalt, CO 81621 970.927.4780

basaltcpa.com

BRIAN SMITH | CERTIFIED PUBLIC ACCOUNTANT

Important Information for Tax Year 2021

Office Information:

- Office hours are Monday -Friday, 8:30am - 4:30pm. We will have incoming and outgoing drop boxes available during office hours where you can leave paperwork. Masks are required in our office.

- If you have questions for Brian, Meghan or Cyndi, please call Robyn to schedule a meeting. Drop-in appointments will not be available. You can also include your questions with your paperwork you drop off for tax prep.

Tax Returns, Engagement Letters, Invoices, Sending Information & QB Files:

- All tax returns will be sent to the email address we have on file for the taxpayer and spouse (if applicable). Please let us know if you have changed your email. Be sure to check your junk mail folder as your email provider may not recognize our address. Please follow the outlined instructions from Robyn, and save your tax returns to your computer. There will be a $50 charge if we have to resend your tax returns to you.

- Engagement letters will be sent with your efile authorization forms. You will need to have a signed engagement letter on file before we electronically file your tax return.

- Invoices will be emailed separate from your tax return via QuickBooks. If we did both your personal and business returns, you will get separate invoices for each entity. We will require payment in full before we efile your tax return.

- There will be a $50 charge if you request a paper copy of your tax return. Of course, certain exceptions will apply. Please discuss your situation with your tax preparer, and please let your tax preparer or Robyn know when you drop off your information if you want a paper copy of your return.

- Please use the link on our website to send us secure tax documents and/or QuickBooks files. If you are sending us a QuickBooks backup file, please include your username and QB password with your file. If you are sending a QuickBooks Enterprise file, please let Robyn know you use QB Enterprise in the message box when you send the file.

- If you received adjusting journal entries with last year's tax return, please enter the journal entries before sending/dropping off your current year QuickBooks file. If the entries have not been made, we will ask that you enter them and re-submit your QuickBooks file to us.

Important Information for Tax Year 2021

Office Deadline Dates:

- The **Partnership and S-Corporation office deadline is Monday February 14th.** If we have all of your information (and there are no outstanding questions or items we are waiting on from you), we will meet the IRS filing deadline of March 15th. If we cannot complete your return by March 15th, or if we have not yet seen your tax information, we will **automatically** file an extension for you. There is a $70 charge for us to file an extension for you. Please let us know if you are filing or have filed your own extension by Wednesday March 9th. There is no need to contact us to ask for an extension to be filed on your behalf.

  There will be no **Individual Tax return** office deadline date. We will work on tax returns on a first in-first out basis. If you send us your personal tax information in early March hoping to meet the April 15th filing deadline, we cannot guarantee your return will be done. If we cannot complete your return by the April 15th filing deadline, we will **automatically** file an extension for you. There is a $70 charge for us to file an extension for you. Please let us know if you are filing or have filed your own extension by Friday April 8th. There is no need to contact us to ask for an extension to be filed on your behalf.

S Corp Compensation & Partnership Info:

- **SCorp Compensation:** S-Corporation shareholders that perform services for the corporation, are required to be paid "reasonable compensation" in the form of wages. These wages are subject to payroll taxes and reported at year-end on a W2. "Reasonable compensation" is somewhat subjective and depends on the shareholders skill level, duties performed, and hours worked. While ultimately you must decide what is "reasonable," we would be happy to discuss the theory with you. We **will not prepare** S-Corporation tax returns if there is no officer compensation reported and you had an obligation to do so. We will have you file the necessary payroll reports to be compliant. You could be assessed penalties for the late filing and late payment of your payroll taxes. We suggest that you examine your own situation as soon as possible.

- **Partnership Guaranteed Payments:** Guaranteed payments to managing members of Partnerships (the person who does most of the work) of a partnership will no longer satisfy the requirements for the self-employment tax calculation. All of the taxable income for managing members will be subject to self-employment tax and income tax (as always). If you would like to convert your partnership to a S-Corporation, please contact the office to discuss.

2021	1040	US	Client Information	1

Brian Smith CPA PC
711 E Valley Rd. Suite 201-C
Basalt, CO 81621
Telephone number: (970) 927-4780
Fax number: (970) 927-4787
E-mail address:

Tax Return Appointment

Date:
Time:
Location:

This tax organizer will assist you in gathering information necessary for the preparation of your 2021 tax return. Please add, change, or delete information as appropriate.

CLIENT INFORMATION

Filing Status	Filing status (table)	2
	1=married filing separate and lived with spouse	
	Year spouse died, if qualifying widow(er) (2019 or 2020)	
Taxpayer	First name and initial	
	Last name	
	Title/suffix	
	Social security number	
	Occupation	
	Date of birth (m/d/y)	
	Date of death (m/d/y)	
	1=blind	
Spouse	First name and initial	
	Last name	
	Title/suffix	
	Social security number	
	Occupation	
	Date of birth (m/d/y)	
	Date of death (m/d/y)	
	1=blind	
Address	In care of	
	Street address	
	Apartment number	
	City	
	State	CO
	ZIP code	
Foreign Address	Region	
	Postal code	
	Country	

Filing Status

1 = Single
2 = Married filing joint
3 = Married filing separate
4 = Head of household
5 = Qualifying widow(er)

2021	1040	US	Client Information (continued)	1 p2

Please add, change or delete information for 2021.

CLIENT INFORMATION

Taxpayer Contact Information	Home phone	
	Work phone	
	Work extension	
	Daytime phone (table)	1
	Mobile phone	
	Fax number	
	E-mail address	
Spouse Contact Information	Home phone	
	Work phone	
	Work extension	
	Daytime phone (table)	1
	Mobile phone	
	Fax number	
	E-mail address	
Taxpayer Authentication	Driver's license no.	
	Driver's license state	
	Issue date (m/d/y)	
	Expiration date (m/d/y)	
	Theft protection PIN	
Spouse Authentication	Driver's license no.	
	Driver's license state	
	Issue date (m/d/y)	
	Expiration date (m/d/y)	
	Theft protection PIN	

Daytime Phone

1 = Work
2 = Home
3 = Mobile

2021	1040	US	Dependents	2

Please add, change or delete information for 2021.

DEPENDENTS

	Dependent	Dependent
First name		
Last name		
Title/suffix		
Date of birth (m/d/y)		
Date of death		
Date of adoption		
Social security number		
Relationship		
Months lived at home		
Type of dependent (see table)		
Earned income credit (see table)		
Claimed by: 1=taxpayer, 2=spouse		
IRS theft protection PIN		

	Dependent	Dependent
First name		
Last name		
Title/suffix		
Date of birth (m/d/y)		
Date of death		
Date of adoption		
Social security number		
Relationship		
Months lived at home		
Type of dependent (see table)		
Earned income credit (see table)		
Claimed by: 1=taxpayer, 2=spouse		
IRS theft protection PIN		

	Dependent	Dependent
First name		
Last name		
Title/suffix		
Date of birth (m/d/y)		
Date of death		
Date of adoption		
Social security number		
Relationship		
Months lived at home		
Type of dependent (see table)		
Earned income credit (see table)		
Claimed by: 1=taxpayer, 2=spouse		
IRS theft protection PIN		

Type of Dependent

1 = Child living w/taxpayer
2 = Child not living w/taxpayer
3 = Dependent other than child
4 = Head of household or qualifying widow(er) only, not a dependent
5 = Earned income credit only, not a dependent

Earned Income Credit

1 = When applicable (default)
2 = Student age 19 to 23
3 = Disabled
4 = Force
5 = Suppress

NOTE: If you claim the earned income credit, please provide proof that your child is a resident of the U.S. This proof is typically in the form of:

1. School records or statement
2. Landlord or property management statement
3. Health care provider statement
4. Medical records
5. Child care provider records
6. Placement agency statement
7. Social service records or statement
8. Place of worship statement
9. Indian tribe office statement
10. Employer statement

NOTE: If your child is disabled, please provide one of the following forms of proof of disability:

1. Doctor statement
2. Other health care provider statement
3. Social services agency or program statement

2021	1040	US	Miscellaneous Questions

If any of the following items pertain to you or your spouse for 2021,
please check the appropriate box and provide additional information if necessary.

PERSONAL INFORMATION

Yes	No	
☐	☐	Did your marital status change during the year?
☐	☐	Did your address change during the year?
☐	☐	Could you be claimed as a dependent on another person's tax return for 2021?

DEPENDENTS

Yes	No	
☐	☐	Were there any changes in dependents from the prior year?
		If yes, please provide their name, ssn, and date of birth: ________________________ ________________________ ________________________
☐	☐	Were any of your unmarried children who might be claimed as dependents 19 years of age or older at the end of 2021?
☐	☐	Did you have any children under age 19 or full-time students under age 24 at the end of 2021, with interest and dividend income in excess of $1,100, or total investment income in excess of $2,200?

HEALTHCARE

Yes	No	
☐	☐	Did you obtain health care coverage through the Marketplace?
		If yes please provide all Forms 1095
☐	☐	Did you or your spouse have any transactions pertaining to a health savings account (HSA)?
		If you received a distribution from an HSA, please include all Forms 1099-SA
☐	☐	If you or your spouse are self-employed, are you or your spouse eligible to be covered under an employer's health plan at another job
		If yes, how many months were you covered? ________
☐	☐	If you or your spouse are self-employed, are you or your spouse eligible to be covered under an employer's long-term care plan at another job?
		If yes, how many months were you covered? ________

INCOME

Yes	No	
☐	☐	Did you receive unreported tip income of $20 or more in any month?
☐	☐	Did you cash any Series EE U.S. savings bonds issued after 1989 and pay qualified higher education expenses for yourself, your spouse, or your dependents?
☐	☐	Did you receive any disability income?

INVESTMENTS

Yes	No	
☐	☐	Did you or your spouse start or purchase a business, rental property or farm, or acquire any new interest in a Partnership, S Corporation, Trust, or REMIC?
☐	☐	Did you or your spouse sell an existing business, rental property, farm, or any existing interest in a partnership or S Corporation?

2021	1040	US	Miscellaneous Questions

☐ ☐ Did you or your spouse sell, exchange, or purchase any real estate?

If yes, did you include the closing statements

☐ ☐ Did you or your spouse dispose of any business assets (furniture, equipment, vehicles, real estate, etc.), or convert any personal assets to business use?

☐ ☐ Did you buy or sell any stocks, bonds or other investment property in 2021?

☐ ☐ Did you sell or do you plan to sell any dividend generating stocks or mutual funds during the first 60 days of 2022?

☐ ☐ Did you receive, sell, send, exchange or otherwise acquire any financial interest in virtual currency?

DEBTS

☐ ☐ Did you purchase, sell, or refinance your principal home or second home, or did you take a home equity loan?

☐ ☐ Did you or your spouse withdraw any amounts from your IRA or Roth IRA to acquire a principal residence?

☐ ☐ Are your total mortgages on your first and/or second residence greater than $750,000?

If yes, provide the principal balance and interest rate at the beginning and end of the year:
Beginning:______________________
Ending:________________________

CREDITS, ALTERNATIVE FUEL, ENERGY EFFICIENT IMPROVEMENTS

☐ ☐ Did you or your spouse purchase a new alternative technology vehicle, including a qualified plug-in electric drive motor vehicle?

☐ ☐ Did you or your spouse install any alternative energy equipment in your residence such as solar water heaters, solar electricity equipment (photo voltaic) or fuel cells?

☐ ☐ Did you or your spouse install any energy efficiency improvements or energy property in your residence such as exterior doors or windows, insulation, heat pumps, furnaces, central air conditioners, or water heaters?

☐ ☐ Did you have any debts canceled or forgiven?

☐ ☐ Does anyone owe you money which has become uncollectible?

RETIREMENT PLANS

☐ ☐ Did you or your spouse receive a distribution from a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)?

If yes, did you include Form 1099-R

☐ ☐ Did you or your spouse contribute to a ROTH IRA or convert an existing IRA, 401(k), SEP, SIMPLE, or Qualified Plan into a ROTH IRA?

☐ ☐ Did you or your spouse make a contribution to a retirement plan (401(k), IRA, SEP, SIMPLE, Qualified Plan, etc.)?

☐ ☐ Did you transfer or rollover any amount from one retirement plan to another retirement plan?

EDUCATION

☐ ☐ Did you or your spouse withdraw any amounts from your IRA to pay for higher education expenses incurred by you, your spouse, your children or grandchildren?

2021	1040	US	Miscellaneous Questions

☐ ☐ Did you or your spouse withdraw any amounts from a Coverdell Education Savings Account or Qualified Education Program (Section 529) plan?

If yes, did you include all Forms 1099-Q

If yes, were the amounts withdrawn used for qualified tuition expenses?

☐ ☐ Did you, your spouse, or a dependent incur any tuition expenses that are required to attend a college, university, or vocational school?

If yes, did you include all Forms 1098-T

SALE OF YOUR HOME

☐ ☐ Did you sell your home?

☐ ☐ Did you receive Form 1099-S? (If yes, please provide Form 1099-S)

☐ ☐ Did you or your spouse own and occupy the home as your primary residence for at least two years of the five-year period prior to the sale?

☐ ☐ Did you or your spouse ever rent out the property?

☐ ☐ Did you or your spouse ever use any portion of the home for business purposes?

☐ ☐ Have you or your spouse sold a primary residence within the last two years?

ITEMIZED DEDUCTIONS

☐ ☐ Did you our your spouse contribute property (other than cash) with a fair market value of more than $5,000 to a charitable organization?

If yes, provide the appraisal of property contributed. An appraisal is not required for contributions of publicly traded securities or for contributions of non-publicly traded stock of $10,000 or less.

☐ ☐ Did you work out of town for part of the year?

☐ ☐ Did you use your car on the job (other than to and from work)?

ESTIMATED TAXES

☐ ☐ Did you apply an overpayment of 2020 taxes to your 2021 estimated tax (instead of being refunded)?

☐ ☐ If you have an overpayment of 2021 taxes, do you want the excess applied to your 2022 estimated tax (instead of being refunded)?

☐ ☐ Do you expect your 2022 taxable income and withholdings to be different from 2021?

MISCELLANEOUS

☐ ☐ Do you want to electronically file your tax return?

☐ ☐ Do you or your spouse want to allocate $3 to the Presidential Election Campaign Fund?

☐ ☐ Does your spouse want to allocate $3 to the Presidential Election Campaign Fund?

☐ ☐ May the IRS discuss your tax return with your preparer?

☐ ☐ Was your home rented out or used for business?

☐ ☐ Are you a member of the Armed Forces of the United States on active duty who moved pursuant to a military order related to a permanent change of station?

☐ ☐ Did you or your spouse pay in excess of $1,000 in any quarter or $2,200 during the year for domestic services performed in or around your home to individuals who could be considered household employees?

2021	1040	US	Miscellaneous Questions

☐ ☐ Were you notified or audited by either the Internal Revenue Service or the State taxing agency?

☐ ☐ Did you or your spouse make any gifts to an individual that total more than $15,000, or any gifts to a trust?

☐ ☐ Did your bank account information change within the last twelve months?

FOREIGN MATTERS

☐ ☐ Did you have any foreign income or pay any foreign taxes?

☐ ☐ Did you have an interest in or signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account?

☐ ☐ At any one time during 2021, did the maximum value of your foreign bank account equal or exceed $10,000?

☐ ☐ Did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust or did you have an interest in any foreign assets or accounts?

COVID-19 RELATED TAX LEGISLATION (EIP, PPP, CTC)

☐ ☐ Did you or your spouse receive an economic impact payment?

If yes, please provide the **EXACT** amount received:________________________

☐ ☐ Did you or your spouse receive advance payments on the child tax credit?

If yes, please provide the **EXACT** amount received:________________________

If yes, did you or your spouse receive **LETTER 6419** that was issued by the IRS in January of 2022 (please provide).

☐ ☐ Did you or your spouse take out a Payroll Protection Program (PPP) loan?

If yes, enter the date and total amount of the PPP loan disbursed:______________

If yes, did you or your spouse have any eligible expenses reported for the business and are these amounts included in the expenses reported for the business?:________

☐ ☐ Did you or your spouse receive loan forgiveness or are you or your spouse seeking forgiveness?

If yes, enter the date of forgiveness and the total amount forgiven:_______________

If no, enter the date loan forgiveness was denied or that you or your spouse decided not to seek forgiveness:____________

If no, enter the amount of the loan for which forgiveness was denied, or the amount for which you or your spouse decided not to seek forgiveness:________________________

COLORADO CONSUMER USE TAX

☐ ☐ Did you (or your spouse) make any purchases on-line or out-of-state in 2021 for which Colorado Consumer Use Tax was not collected?

If yes, please provide the total dollar amount of the purchases that were made: ___________

If no, please sign the below affidavit stating that you did not make any on-line or out-of-state purchases in 2021:

Under penalties of perjury I, _______________________ (taxpayer name) and _______________(spouse-if applicable), declare that no on-line or out-of-state purchases were made for which Colorado Consumer Use Tax was not collected for the year ended December 31, 2021.

2021	1040	US/CO	Direct Deposit & Estimates (Form 1040 ES)	3, 6

Please enter all pertinent 2021 information.

DIRECT DEPOSIT / ELECTRONIC PAYMENT (3)

1=direct deposit of federal tax refund into bank account	
1=electronic payment of balance due	
1=electronic payment of estimated tax	
1=state direct deposit	

BANK INFORMATION

Name of Bank	Percent to Deposit (xx.xx)	Routing Number	Account Number	Type of Account (Table 1)	Type of Invest. (Table 2)

2021 ESTIMATED TAX / 1040-ES (6)

Federal

	Amount Paid	Date Paid	TS	2021 Voucher Amount
Overpayment applied from 2020				
1st quarter payment				
2nd quarter payment				
3rd quarter payment				
4th quarter payment				
Additional Estimated Tax Payments				
Paid with extension				
Former spouse SSN if joint estimates				

State

	Amount Paid	Date Paid	TS	2021 Voucher Amount
Overpayment applied from 2020				
1st quarter payment				
2nd quarter payment				
3rd quarter payment				
4th quarter payment				
Additional Estimated Tax Payments				
Paid with extension				

1 Type of Account

1 = Savings
2 = Checking

2 Type of Investment

1 = Checking or savings (default)
2 = Taxpayer's IRA (next year limits)
3 = Spouse's IRA (next year limits)
4 = Health savings account (HSA)
5 = Archer MSA
6 = Coverdell savings account (ESA)
7 = Other
8 = Taxpayer's IRA (current year limits)
9 = Spouse's IRA (current year limits)

2021	1040	US	Direct Deposit & Estimates (Form 1040 ES) (cont.)	7.1

Please enter all pertinent 2021 information.

APPLICATION OF 2021 OVERPAYMENT (7.1)

If you have an overpayment of 2021 taxes, do you want the excess refunded? ☐ or applied to 2022 estimate? ☐
Other (please explain): ______

2022 ESTIMATED TAX INFORMATION

Do you expect your 2022 taxable income to be different from 2021? . . . . Yes ☐ No ☐
If "yes" explain any differences in income, deductions, dependents, etc.: ______

Do you expect your 2022 withholding to be different from 2021? . . . . Yes ☐ No ☐
If "yes" explain any differences: ______

2021	1040	US	Additional Information

Please furnish any additional information or supporting details not provided elsewhere in this tax organizer.